


CONFIDENTIAL
Security Information

100--31316

DEC 28 1953

Chief, Finance, 
Chief of Mission, Frankfurt

Administrative/Finance

Aerodynamic/Refract subsidy payments

REFERENCE:

- (A) 100--5415, 1 May 53
- (B) 100--15478, 6 May 53
- (C) 100--11748, 6 May 53
- (D) 100--9157, 21 Dec 53

1. Transmitted herewith is a schedule of the refract subsidy payments for the period December 1951-June 1953. Payments subsequent to June 1953 have not yet been entered on the records of the Frankfurt Finance Office. We are also transmitting a copy of Reference () for use in explanation of the payments for January-April 1953 inclusive.

2. Paragraph 3 of Reference (B) was in error. It should have been as follows:

| | |
|--|------|
| July 1951 Subsidy - Karlsruhe Nov 51 Voucher # | 76 |
| Aug 1951 " " " " " | 877 |
| Sept 1951 " " " " " | 878 |
| Oct 1951 " " " " " | 1050 |
| Nov 1951 " " " " " | 1051 |

3. Please advise if further information is necessary.

Attachments:

Schedule
Copy Reference (B)

Distribution:

1 - EK (w/attachments)

Date of Origin:

28 December 1953

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| Period of Subsidy | MOB Accounting on which reported | Fran To # | Date of Fran Voucher | Amount |
|-------------------|----------------------------------|-----------|----------------------|--------|
| Dec 51 | 21/11 - 20/12/51 | 1576 | Feb 52 (Cafira) | 12,000 |
| Jan 52 | 21/1 - 20/2/52 | 1 | July 52 (Ruhard) | 10,000 |
| Feb 52 | 21/1 - 20/2/52 | 1 | July 52 | 10,000 |
| Mar 52 | 21/2 - 20/3/52 | 199 | Aug 52 | 10,000 |
| Apr 52 | 1-30/4/52 | 821 | Oct 52 | 10,000 |

Additional \$4,000 per month for January, February, March, April, 1952 on MOB 1-30/4/52, Fran To #821, October 1952

| | | | | |
|---------|------------|------|---------|--------|
| May 52 | 1-31/5/52 | 983 | Oct 52 | 14,000 |
| June 52 | 1-30/6/52 | 942 | Oct 52 | 14,000 |
| July 52 | 1-31/7/52 | 1332 | Nov 52 | 14,000 |
| Aug 52 | 1-31/8/52 | 1364 | Dec 52 | 14,000 |
| Sept 52 | 1-30/11/52 | 2250 | Mar 53 | 14,000 |
| Oct 52 | 1-31/1/53 | 2550 | Apr 53 | 14,000 |
| Nov 52 | 1-31/1/52 | 2450 | Apr 53 | 14,000 |
| Dec 52 | 1-2/2/53 | 2712 | Apr 53 | 14,000 |
| Jan 53 | 1-31/3/53 | 3195 | June 53 | 14,000 |
| Feb 53 | 1-31/3/53 | 3195 | June 53 | 14,000 |
| Mar 53 | 1-30/4/53 | 3379 | June 53 | 14,000 |
| Apr 53 | 1-31/5/53 | 70 | July 53 | 14,000 |
| May 53 | 1-30/6/53 | 702 | Sept 53 | 14,000 |
| June 53 | 1-31/7/53 | 896 | Sept 53 | 14,000 |

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EGM-A-9167

Date 21 Dec 1953

To: Chief of Mission, Frankfurt

ATTENTION: C]

From: Chief of Base, Munich

Subject: General - ADMINISTRATIVE
Specific - PBCRUET Subsidy Payments
REF: EGTA-30853

1. MOB records do not, as you know, contain duplicate vouchers for the period referred to in the above reference, and for that reason this office is unable to state definitely how the February and March 1952 payments were reported. However, the advance account of Harold K. Shands, who was making the payments at that time, shows the following advances and accountings which are identified as newspaper subsidy items:

| | | | |
|-----------------|------------|-------------|--------------|
| 4 January 1952 | advance | DM 5,000.00 | |
| 16 January 1952 | advance | DM 5,000.00 | |
| 30 January 1952 | accounting | | DM 20,000.00 |

(The 20,000.00 DM includes 10,000.00 DM advanced on 7 December 1951 for the purchase of a vehicle per MUNI 5229 and WASHEG 10610)

| | | | |
|------------------|------------|--------------|--------------|
| 31 January 1952 | advance | DM 5,000.00 | |
| 13 February 1952 | advance | DM 5,000.00 | |
| 14 February 1952 | accounting | | DM 10,000.00 |
| 29 February 1952 | advance | DM 10,000.00 | |
| 8 March 1952 | accounting | | DM 10,000.00 |
| 31 March 1952 | advance | DM 10,000.00 | |
| 4 April 1952 | accounting | | DM 10,000.00 |
| 18 April 1952 | advance | DM 16,000.00 | |
| 21 April 1952 | accounting | | DM 16,000.00 |

2. Prior to the above, the last advance identified in the advance account as a newspaper subsidy payment was made on 3 December 1951 in the amount of DM 14,000.00 shown as the December payment. Accounting was made on 8 December 1951. Subsequent to April 1952 the first subsidy advance was made on 5 May in the amount of DM 14,000.00 and accounting therefore was submitted on 4 June 1952.

3 It appears from the foregoing that the January, February, March and April payments were made in the amount of DM 10,000.00 each and the April Payment in the amount of DM 16,000.00 represented an additional DM 4,000.00 for each month to maintain the DM 14,000.00 per month authorized.

4. The voucher filed 30 January in the amount of DM 20,000.00 and the voucher filed 14 February in the amount of DM 10,000.00 were included in the Base report for the period 21 January - 20 February 1952. The voucher filed 8 March was included in the Base report of 21 February - 20 March 1952, and the remaining two vouchers in the report of 1 - 30 April 1952.

5. It is suggested that if additional information is needed, Harold K. Shands be contacted at Headquarters.

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/s/ K

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SECRET
Security Information

AIR

ECOM-12670

SECRET

DEC 22 1953

Chief of Mission, Frankfurt

Chief, MR

ATTN: REDSOX/MUNICH
Howard Shirline
INFO: REDSOX/Frankfurt

REDSOX/AERODYNAMIC

AERODYNAMIC ADMINISTRATIVE PLAN

1. The following Administrative Plan, approved 30 September 1953, covers subsidy phases provided for in Project AERODYNAMIC and is forwarded for the Field Case Officer's information:

AERODYNAMIC
Administrative Plan

I. Funding

1. Funds shall be provided for this project on the basis of a budget prepared by headquarters and concurred in by the Office of the Comptroller. This budget will be in accordance with the terms and conditions of the project approval.
2. Funds will be made available for the subsidy phases of this project on the basis of a field allotment to the Chief of Station on the request of the Field Case Officer supervising the project.
3. The Field Case Officer will transmit the funds to AECASSOWARY/3, the representative of AECASSOWARY/1, who shall receipt for the funds. The receipt will show date, payer, and the amount of funds received.

II. Organization

4. The representative of AECASSOWARY/1 who is used as a cutout for transmittal of funds to the newspaper and to the school, shall have an operational clearance.
5. The representative of the newspaper and the representative of the school to whom the cutout transmits the funds shall be appropriately cleared and shall be unwitting.

EE _____

SR/COP _____

C/SR/3 _____

DAVID E. MURPHY

SECRET

III. Operational Control

6. Operational control of the school will be maintained by the field case officer through AUSA/1. AUSA/1 will achieve control through the placement of their cleared representatives in key positions in the school.

7. Operating control of the newspaper will be maintained by the field case officer who suggests changes in the editorial policy of the newspaper through cleared representatives of AUSA/1.

IV. Accounting

8. The newspaper and the school shall each submit a monthly statement of cash receipts and disbursements. This report shall show the cash balance at the beginning and at the end of the period and shall classify cash receipts by source and disbursements by purpose of expenditure. Copies of these reports will be forwarded to headquarters and the Finance Division.

V. Writeoff and Financial Control

9. All funds advanced for the subsidy phases of this project will be recorded as an allotment expenditure at the time the advance is made by the agency.

10. The Authorized Certifying Officer is empowered to write off to expense all funds advanced for the subsidy phases of this project on the basis of receipts signed by a representative of AUSA/1 showing the date, payer, and the amount of funds received.

11. At the time an advance is made memorandum control accounts will be established by the Finance Division reflecting the advance to the project. These advances shall be cleared from the memorandum control accounts upon receipt by the Finance Division of financial statements showing utilization of the funds provided and a statement from the field case officer supervising the project that the funds have been expended for the purpose for which they were advanced and that the accomplishments of the group warrants continuing subsidy payment.

VI. Audit

12. The audit program for the project shall be determined and carried out in accordance with Bureau regulations.

27: hob (11 December 1953)

Distribution:

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